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EASTERN EUROPEAN INTELLIGENCER OCI #0952/72

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DIA review(s) completed.

Details of Gierek's Visit to France Revealed

Party leader Gierek's official visit to France from 2-6 October will concentrate primarily on bilateral economic ties. [REDACTED] Gierek will have three closed sessions with French President Pompidou, and these talks will include, in addition to economic matters, discussions of general east-west developments in Europe with particular emphasis on CSCE. He will also visit Lyon and tour the Berliet truck manufacturing headquarters; Berliet recently signed an important trade contract with Poland. An advance party will go to Paris in September to arrange final details with French protocol officials. There is still no word on how the trip will be officially designated; protocol may not permit Gierek to make a "state" visit since he holds no position in the state apparatus.

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Warsaw has been trying very hard in the past year to expand its trade with western countries; indeed, talks with the US this summer have centered almost exclusively on expanding bilateral trade relations. Some Polish officials have been distressed at the apparent reluctance of French businessmen to step up trade with Poland. Gierek's visit, they hope, will pave the way for more extensive trade arrangements.

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Yugoslav Premier Hits Ustashi Activity in Austria and Australia

Speaking on the 30th anniversary of the liberation of the Bosnian town of Posusje, Premier Bijedic bitterly condemned Austria and Australia for granting what he termed "sanctuary" to guerrilla terrorists. Bijedic complained that Fascist-terrorists have operated "freely" and "unpunished" out of these countries for years. He then described

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as "untenable" the idea that terrorists are granted civil rights in any given country when they in turn are planning criminal acts against Yugoslav citizens and diplomatic-consular missions abroad.

Belgrade, he said, has no reason to overdramatize this threat because Yugoslavia has shown itself capable of crushing terrorist threats as it did in the attack in Bosnia in early July [REDACTED]

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[REDACTED] Bijedic then praised the courage and patriotism of Yugoslavs of all nationalities in defending their homeland. The government, nonetheless, is "taking steps" with Canberra and Vienna to curb such activity and has "demanded" that terrorists groups be identified for what they are and that the host countries conduct the appropriate investigations and punish those guilty of planning or participating in attacks on Yugoslavia.

Anti-emigre sentiment is running high in Yugoslavia following the bombing of a Yugoslav airliner in January and last month's attack. The force of Bijedic's address leaves little doubt that Belgrade means business and that Yugoslav relations with both Austria and Australia will suffer if immediate and strong steps are not taken against Ustashi centers in those two countries. A Ustashi training camp was reportedly uncovered in Austria last week and the Yugoslav press continues to give prominent coverage to hostile emigre activity in the West. [REDACTED]

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#### Yugoslav-French Helicopter Production Under Way

After some delay, Yugoslav-French joint production of SA-341 Gazelle helicopters has begun, with the first helicopter scheduled to roll off the assembly-line in 1973. Some 70 French technicians are reportedly in Yugoslavia to aid in the production. A total of 200 craft are envisioned under the arrangement.

Belgrade also is involved in a number of arms negotiations with the French, including a Yugoslav-Romanian fighter program. According to the USDAO in Belgrade, the Yugoslavs are interested in having the French supply the hydraulic and possibly the weapons system for the planned subsonic JUROM 200 (a modification of the fighter-trainer aircraft currently produced by the Yugoslavs).

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The Yugoslav army and navy have also gotten into the act. The army is reportedly interested in long-range anti-aircraft and anti-tank weapons, armored personnel carriers and communications equipment. The navy has apparently approached the French for mobile shore batteries, interior equipment for submarines, and underwater sabotage equipment. The prospects for getting this equipment, however, is not good, since the Yugoslavs want the most advanced available and the French are unable to release them. The Yugoslavs are also apparently hoping to get the arms they seek through barter arrangements which thus far have fallen on deaf ears in Paris. The size of the Yugoslav shopping list is interesting. It had been felt that despite differences when the Soviets and Yugoslav arms agreement was up for renewal in 1970, a satisfactory agreement was reached. It now appears the Soviet-Yugoslav arrangement fell short of meeting Belgrade's needs and demands.

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